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CS Docket No. 95-61

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Chairman
Video Dialtone Association

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SUMMARY

Competition in the video marketplace has increased very little, if at all, over the past year. Although VDT may someday be a viable alternative to traditional cable service, VDT has not yet developed to its potential for essentially three reasons. First, the Commission's VDT approval process is too slow and burdensome, making business decisions difficult for both LECs and programmers. Second, the approval process permits debilitating "gaming" practices by incumbent cable interests. Third, both the FCC's actions, as well as its inaction, have made VDT a less attractive option for LEC and programmer entry into the video market.

To improve the chances for VDT's survival, and to increase competition in the market, the Commission should streamline its VDT regulatory structure and adopt reasonable time limits on its VDT-related decision making processes. The VDTA believes that if needless impediments to constructing and operating a VDT system are eliminated, VDT service providers will be better able to compete with existing cable service providers.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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JUN 30 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

Annual Assessment of the)
Status of Competition in)
the Market for the Delivery)
of Video Programming)

CS Docket No. 95-61

COMMENTS OF THE VIDEO DIALTONE ASSOCIATION

The Video Dialtone Association ("VDTA"), pursuant to the procedures set forth in Section 1.415 of the Commission's rules, submits these Comments in response to the Commission's Notice of Inquiry ("NOI"), in the above-referenced proceeding.

The VDTA is a new trade association whose members include video programmers, video program packagers, local exchange carriers ("LECs"), and others who have an interest in the Commission's regulatory policies which will, hopefully, facilitate the rapid introduction of video dialtone services ("VDT"). With its diverse membership (including Bell Atlantic, The Weather Channel, NYNEX, Graff Pay-Per-View, Request TV, Wireless Advantage, and GTE), the VDTA offers the Commission a unique and valuable perspective in this proceeding.

I. INTRODUCTION AND OVERVIEW

In the NOI, the Commission seeks information concerning the current state of competition in the video marketplace, and requests comment on the extent to which the competitive environment has changed since it submitted the 1994 Competition Report to Congress last year.^{1/}

Unfortunately, the competitive environment has changed very little over the past year. The goal of a competitive video marketplace that Congress articulated in the Cable Television Consumer Protection and Competition Act of 1992^{2/} remains only a vision. This is unfortunate because VDT has the potential to be a viable competitor to incumbent cable operators. The Commission has regulated the service so heavily, however, that it has not developed to its potential.

There are three fundamental reasons why VDT is not yet a viable competitor to cable operators. First, the Commission's VDT approval process is too slow and cumbersome. Second, the approval process permits competitors to "game" the system to such an extent that obtaining authorization to provide VDT has become too costly. Third, the Commission's regulatory scheme for VDT has rendered the service much less attractive to both LECs and programmers as an

^{1/} Notice of Inquiry ¶ 5. The VDTA's comments focus on the factors which the VDTA believes have hindered the growth of competition between cable companies and VDT service providers. These comments do not attempt to address many of the detailed questions proffered in the NOI regarding individual service provider VDT plans. Individual VDTA members will likely address these specific issues in their own comments.

^{2/} Pub. L. No. 102-385, 106 Stat. 1460 (1992).

option for entering the video market. These comments discuss each of these problems and offer several practical recommendations designed to remedy them.

II. THE STATUS OF COMPETITION

Cable remains the indisputable king in the video marketplace, with an estimated 65 million subscribers^{3/} and 64% market penetration.^{4/} Other video services, such as direct-to-home satellite, multipoint multichannel distribution, and satellite master antenna television have made significant inroads into cable territory recently, but none of these services effectively challenges cable's dominance in the market.

VDT is not a competitor to cable either. Despite the fact that several technical and market trials of VDT are currently under way,^{5/} and despite the fact that Bell Atlantic has finally obtained approval for the country's first and only commercial system in Dover Township, New Jersey, VDT still cannot claim a single commercial subscriber and has a 0% market share.

From the inception of VDT, the Commission has professed allegiance to three overarching goals: (i) facilitating competition in the provision of video services; (ii) promoting an efficient

^{3/} Jim McConville, Cable Faces Renewed Satellite Competition, BROADCASTING & CABLE, June 12, 1995, at 29-30.

^{4/} Mean market penetration for all Nielsen Media Research Designated Market Areas is 63.96%. 1 BROADCASTING & CABLE YEARBOOK 1995 D-70 to D-73 (1995).

^{5/} See Video Dialtone Applications Status List, June 19, 1995, attached as Exhibit 1.

investment in the national telecommunications infrastructure; and (iii) enhancing the diversity of video services to the American public.^{6/} The VDTA likewise embraces these goals and encourages the Commission to make them a reality. While the Commission has given lip service to these goals throughout its video dialtone proceeding, it has taken very little action toward achieving them. In fact, the action the Commission has taken to implement VDT has had a decidedly negative impact on the service instead of bringing these objectives any nearer to fruition.^{7/} As a result, VDT is virtually dead in its tracks.

III. CONDITIONS AFFECTING COMPETITION

A. The VDT Authorization Gauntlet

One of the biggest obstacles for VDT is the FCC's sequential approval process. Before a LEC can even begin constructing a VDT platform, it must first obtain a construction permit from the FCC by filing a Section 214 application. The 214 application (which must be made available to the public for inspection) must define the areas in which VDT service is proposed, provide detailed plans

^{6/} See Memorandum Opinion and Order on Reconsideration and Third Further Notice of Proposed Rulemaking, In re Telephone Company-Cable Television Cross-Ownership Rules, Sections 63.54 - 63.58, ¶ 3 (released Nov. 7, 1994) [hereinafter "Memorandum Opinion and Order"]; Second Report and Order, Recommendation to Congress, and Second Further Notice of Proposed Rulemaking, In re Telephone Company-Cable Television Cross-Ownership Rules, Sections 63.54 - 63.58, ¶ 1 (released Aug. 14, 1992).

^{7/} See, e.g., Memorandum Opinion and Order, supra note 6, ¶¶ 35, 274 (prohibiting anchor programmers); see also discussion infra pp. 9-11.

of the proposed network, and disclose a great deal of other competitively sensitive information. Once the Commission grants a LEC's 214 application -- which typically requires several months, and often years, of consideration^{8/} -- the LEC may move to the next stage in the process and petition the FCC for a waiver of Part 69 of its rules. Again, the applicant must wait for the Commission's decision concerning its waiver request before it can proceed. If the waiver is granted, the LEC must file service tariffs detailing the rates it will charge programmers for its proposed service. If all this were not enough, the Commission presently is considering in other proceedings whether it should impose additional regulations on LECs wanting to offer VDT.^{2/}

The delays inherent in the approval process cause problems for both LECs and programmers. For LECs, the delay makes it difficult to take advantage of improved technologies and associated cost savings. Specifically, if a LEC decides to amend its 214 application because of technological advances, the LEC faces the draconian penalty of having to navigate through the entire process -- from beginning to end -- again. Thus, as a practical matter,

^{8/} On average, the FCC has taken 12 months to consider each 214 application it has granted to date. See Video Dialtone Applications Status List, supra note 5.

^{2/} See, e.g., In re Price Cap Performance Review for Local Exchange Carriers; Treatment of Video Dialtone Services Under Price Cap Regulation, CC Docket No. 94-1 (released Feb. 15, 1995) (proposing a separate VDT price cap basket); In re Fourth Further Notice of Proposed Rulemaking, In re Telephone Company-Cable Television Cross-Ownership Rules, Sections 63.54 - 63.58, CC Docket No. 87-266 (released Jan. 20, 1995) (concerning affiliated programmer issues).

normal incremental technology adjustments in network deployment plans are discouraged.^{10/}

For programmers, the delay makes it extremely difficult to formulate reasonable business plans.^{11/} For example, programmers do not know the cost of their programming until they know the LEC's carriage rates. These are not disclosed until a LEC files its service tariff, the last stage of the authorization process. Moreover, the overall uncertainty of when, and if, a VDT application will be approved adversely affects the ability of programmers to develop any business strategy with respect to VDT.

As a result, VDT has become a much less attractive means to entering the video market for both LECs and programmers.^{12/} Given that most LECs are no longer subject to the telco-cable cross-ownership restrictions of Section 553, VDT's lack of appeal is a significant development. In April, Bell Atlantic withdrew several 214 applications that it had submitted to the Commission last year. Bell Atlantic explained that by the time the FCC got around to approving its applications, technology is likely to have changed so substantially that it would no longer make good business sense to employ the technology relied upon in those applications.

^{10/} Technology changes were cited by both Bell Atlantic and US West as reasons for withdrawing their VDT 214 applications.

^{11/} Attached as Exhibit 2 is a letter which describes one programmer's account of the difficulties which it has faced in its efforts to offer programming using a VDT platform. Letter from Robert J. Schena, President, FutureVision, to Senator John McCain, United States Senator (June 8, 1995).

^{12/} See, e.g., Phone Companies Rethink Video Dialtone Plans, INTERACTIVE VIDEO NEWS, June 12, 1995.

Similarly, last month, U.S. West requested that the FCC suspend its 214 applications so that it could gauge the performance of a market trial it is conducting in Omaha, Nebraska before committing to the details of the technology described in its applications. There is growing evidence that other, less burdensome means of entering the video market -- such as acquiring existing cable systems or distributing programming via MMDS -- are being considered by LECs as alternatives to VDT. These actions all demonstrate the increasing frustration that LECs are experiencing with respect to the Commission's burdensome VDT regulatory policies.

B. Gaming the System

The current VDT authorization process gives parties whose interest is to inhibit competition, the opportunity to challenge a VDT applicant at many places in the process. Predictably, cable interests take full advantage of this opportunity, raising the same arguments time after time with each new VDT application.^{13/} The FCC seems to analyze the same issue each time it is raised as though it were a novel issue, adding further costly delays to an

^{13/} For example, on May 23, 1994 GTE filed four 214 applications to provide commercial VDT service in Virginia, Florida, California, and Hawaii. The Commission granted all four applications on May 5, 1995. Throughout the year-long approval process, and even after the applications were granted, the NCTA has raised the same challenge, inter alia, to GTE's economic justification for its proposed offerings in no fewer than five separate filings. Application for Review at 12, Jun. 5, 1995; Ex Parte Comments at 5-8, Apr. 14, 1995; Reply Comments at 12-25, Jan. 18, 1995; Motion To Dismiss at 3-10, Nov. 21, 1994; Petition To Deny at 2-6, Jul. 5, 1994. This kind of abuse of the system is not uncommon. See infra note 16 and accompanying text.

already unjustifiably slow process.^{14/} Economists have estimated that such gaming of the VDT authorization process costs American consumers between \$3 and \$7 billion annually.^{15/}

Many of the pleadings and arguments that the cable industry has submitted throughout the VDT proceeding have been meritless, and even frivolous.^{16/} The FCC is partially to blame for creating and nurturing the opportunities for cable interests to game the system and for failing to curtail such anti-competitive and wasteful practices. The Commission is responsible for nurturing the nascent VDT industry so that the American public will have a meaningful choice among video programmers. Instead of allowing potential competitors to destroy VDT through tactical games, the FCC should undertake its responsibility to the American public by

^{14/} For example, Bell Atlantic's Florham Park 214 application, which involves the same architecture and raises the same issues as its Dover Township 214 application, is still pending more than 2½ years after it was originally filed.

^{15/} See THE PROGRESS & FREEDOM FOUNDATION, THE TELECOM REVOLUTION -- AN AMERICAN OPPORTUNITY 10 (May 1995) [hereinafter "PFF REPORT"]. The PFF REPORT maintains that the time wasted by the FCC in processing complaints, licensing services, etc., costs U.S. consumers and the economy billions of dollars per year. The Report estimates, for example, that FCC-imposed delay in licensing cellular telephony alone cost our economy \$85 billion in growth and consumption. *Id.* at 26-27.

^{16/} To illustrate the type of "gaming" behavior presently taxing the Commission's resources, Chairman Hundt recently testified before Congress that the cable industry filed more than 40,000 pages of comments opposing telco entry into video. Reauthorization of the FCC: Hearings Before the Subcommittee on Telecommunications and Finance of the House Committee on Commerce, 104th Cong., 1st Sess. 9 (June 19, 1995) (statement of Reed E. Hundt, Chairman of the FCC).

tailoring the authorization process so that gaming practices are substantially reduced or eliminated.

C. Other Regulations

If a LEC ultimately manages to obtain Section 214 authorization for its VDT system, additional regulatory obstacles may still prevent it from providing a service that is competitive with cable. For example, the Commission has placed limits on the amount of analog and total system capacity that a LEC can allocate to a single programmer, and also has restricted a programmer's ability to share analog channel capacity.^{17/} As a result, VDT programmers may be unable to offer their subscribers the variety of programming consumers demand, making it nearly impossible for them to compete effectively with local cable operators.^{18/}

Several parties have argued, for example, that anchor programmers would be beneficial in the early stages of VDT since full digitization at this time could depress demand for VDT service.^{19/} Anchor programmers may allow individual programmers to compete more effectively with cable operators since some VDT systems may rely primarily on analog technology in the short term

^{17/} Memorandum Opinion and Order, supra note 6, ¶ 35. See also Petition for Reconsideration of the Third Notice, filed by Ameritech (January 11, 1995); Petition for Reconsideration of the Third Notice, filed by Liberty Cable Company, Inc. (January 11, 1995) [hereinafter "Liberty PFR"].

^{18/} Memorandum Opinion and Order, supra note 6, ¶¶ 27-28. Moreover, each additional regulation that makes VDT more complex and costly will result in fewer programmers being able to afford carriage, thus defeating one of the primary goals of video dialtone.

^{19/} See, e.g., Liberty PFR, supra note 17, at 7-9.

and channel capacity will be limited. Without anchor programmers, an individual programmer may be unable to lease enough analog channels to offer its subscribers a competitive 60 channel package.^{20/}

Furthermore, while conceding that technical limits on the expandability of analog capacity may require some form of analog channel sharing,^{21/} the Commission barred LECs from sharing substantially all analog channels. Without an appropriate channel sharing arrangement, however, scarce channel capacity might be used to carry several duplicate channels of the same popular programming.

Finally, the Commission has acknowledged that competition in the video programming market could be needlessly slowed unless it permits VDT programmers to share some channel capacity.^{22/} Nearly nine months after reaching this conclusion, however, the FCC still

^{20/} Some parties have argued that VDT programmers will have to offer more than 60 channels of programming to compete effectively with cable operators that generally provide subscribers with 60+ channels. See, e.g., id. at 4-6.

^{21/} See Memorandum Opinion and Order, supra note 6, ¶ 268. The Commission tentatively concluded that LECs should be permitted to require programmer-customers to share a limited amount of analog capacity, and it issued a Further Notice to obtain comments on what regulatory structure it should adopt to govern such channel sharing. See id. ¶¶ 274-75. The Commission went on to state that "[Channel sharing] arrangements could increase the number of video programmers on the platform, thus creating diverse programming options. In addition, they would enable multiple video programmers to offer full service packages to consumers. Channel sharing arrangements would also maximize use of the platform by programmer-customers, thereby benefitting video dialtone providers." Id. ¶ 274.

^{22/} Id. ¶¶ 271-75.

has not decided how it will permit channels to be shared. This delay has exacerbated the uncertainty of VDT operators and programmers, diminished the present ability of programmers to offer subscribers an attractive service, and reduced the competitive effectiveness of VDT generally.

IV. RECOMMENDATIONS

The existing regulatory scheme imposes tremendous burdens on the construction and operation of VDT systems, and provides no concomitant benefits to the American public. These regulatory burdens have caused substantial delays in the introduction of VDT service to the public.^{23/} The economy suffers from this delay in the form of lost jobs and reduced growth, and consumers pay the price in the form of higher cable rates. Even the Commission has suffered by these delays because it must continue to regulate cable rates and endure the criticism leveled against it for this activity by both the cable industry and Congress. The Commission's continued failure to eliminate these obstacles to VDT ultimately may destroy the service.^{24/}

^{23/} The PFF REPORT cites the FCC's inability to move expeditiously on various issues pending before it as one of the major reasons consumers and businessmen would be better off without the FCC. See PFF REPORT, supra note 15, at ii-iii.

^{24/} On June 27, 1995, Ameritech announced that it was abandoning the VDT approach. It will follow the cable model to win local approval for building a five-state digital video network and providing service. Southwestern Bell Company has not filed a 214 application for VDT. Bell Atlantic and US West have withdrawn their pending 214 applications for VDT.

Fortunately, the FCC can solve the problems presently plaguing VDT. To do so, the FCC must reduce its regulatory interference and create a level playing field for all video services. Outdated and unnecessary regulation is suffocating VDT and encouraging the stranglehold that the cable industry presently has on the video market.^{25/} Thus, the Commission's goal should be to remove these impediments and to create an environment in which fair competition may flourish.

First, the Commission should eliminate the requirement to seek Section 214 approval to construct a VDT network. The 214 process thwarts attainment of the Commission's overarching goals because it is too cumbersome, wastes too much time, and no longer serves the purpose for which it was intended.^{26/}

Second, the Commission should impose reasonable and definite time limits on its VDT-related, decision making processes (e.g., 60 days). This would eliminate costly delay, conserve limited government resources, and permit applicants to create business plans with a modicum of certainty.

^{25/} The PFF REPORT argues that, in the delivery of video programming, the FCC's regulatory system is the single greatest obstacle to competition, lower prices, and new products and services. See generally PFF REPORT, supra note 15.

^{26/} Section 214 of the Communications Act was enacted to prevent telegraph companies from overbuilding service lines, a practice which was viewed as wasteful in 1934. See, e.g., Supplemental Comments of the United States Telephone Association filed in response to the Fourth Further Notice of Proposed Rulemaking in CC Docket No.87-266. Today, the Commission actively encourages overbuilding as a means of facilitating competition. See, e.g., 1990 Cable Report, MM Docket No. 89-600, 5 FCC Rcd 4962, 5014 (1990).

Third, the Commission should, where appropriate, permit the competitive marketplace to regulate inherently business-driven matters associated with VDT (e.g., selection of technology, service rates, channel allocation). Competition is always preferable to regulation, but this is especially true in an industry characterized by rapidly evolving technologies. Moreover, LECs do not have a monopoly on video programming -- they have a 0% market share and face well-entrenched incumbents. There is no reason to regulate fledgling competitors so heavily when they possess no market power.

Finally, the FCC should provide Congress and state regulators with pro-competitive policy and rule recommendations regarding VDT on an ongoing basis.^{27/} As the federal agency with the expertise in telecommunications policy, the FCC should play a more proactive role in alerting regulators of ways to promote competition in the video marketplace.

Broad regulatory streamlining as outlined above would increase significantly the viability of the VDT model, and consequently, the likelihood that VDT, one day, will be an effective competitor of cable. Perhaps most importantly, however, such streamlining would help fulfill the Commission's public policy objective of providing

^{27/} On May 25, 1995, for example, the Commission submitted to Congress a package of 37 proposals for consideration in the upcoming FCC reauthorization process, some of which are intended to promote competition in the video marketplace. FCC Daily Digest, News Release (May 26, 1995). VDTA encourages such intragovernmental dialogue to continue on an ongoing basis.

American consumers with a multitude of competitive and diverse video services at reasonable rates.

Respectfully submitted,

THE VIDEO DIALTONE ASSOCIATION

By: 

Peter O. Price
Chairman

June 30, 1995

6/19/95

Video Dialtone Applications Status List

Caution: This list is an unofficial attempt to help Video Dialtone researchers. It is not an official FCC document. Some of the details have not been corroborated. For copies of the applications and comments, and updates of this list, contact Russ Cartwright ITS (International Transcription Services), (202) 857-3800 Fax 857-3821.

As of this date thirty-nine Video Dialtone applications ¹ have been filed by eleven telephone companies, as follows: ^{2 3}

1. C&P Telephone, Arlington Virginia (Bell Atlantic): One-year FCC authorization was granted on March 25, 1993 [8 FCC Rcd 2313 (1993)]. A Technical trial to 280 subscribers is underway and was due to end March 23, 1994. Bell Atlantic was granted Special Temporary Authority (STA) was requested on 3/21/94 to extend the technical trial for six months, until 9/25/94; and a second STA was requested on 9/23/94, to extend the trial an additional six months, until 3/25/95. An amendment to permit a market trial for 2000 homes has been received. Public oppositions were filed.⁴ The FCC granted an authorization for technical and market trials January 20, 1995 (FCC 95-15). (WPC 6834)⁵

¹Applications are filed pursuant to the Video Dialtone order, Second Report and Order, 7 FCC Rcd 5781 (1992); Memorandum Opinion and Order on Reconsideration And Third Further Notice of Proposed Rulemaking, (FCC 94-269), released November 7, 1994; and The Fourth Further Notice of Proposed Rulemaking (FCC 95-20), released January 20, 1995 and The Third Report and Order (FCC 95-203), released May 16, 1995.

²The use of (homes) means homes-passed (not necessarily actual subscribers) and may include business customers.

³Altogether the applications propose to construct facilities that will pass approximately 8,399,000 homes, or 9% of the 93 million homes with telephones as of November, 1993.

2. New York Telephone, New York City (NYNEX): Authorization was granted June 29, 1993 [8 FCC Rcd 4325 (1993)] A Technical trial was launched in January, 1994. A Petition for Reconsideration has been filed by the City of New York, and is being reviewed by the Common Carrier Bureau. A Project is scheduled for trial services to 2,500 apartments in three Manhattan apartment buildings. The FCC upheld its authorization for the applicants technical trial and denied Time Warner Cable and the New York City Department of Telecommunications and Energy's petitions for reconsideration on April 12, 1995 (FCC 95-140). (WPC 6836)**

3. Southern New England Telephone, West Hartford, Connecticut: An unopposed authorization for a technical and marketing trial was granted November 12, 1993 [9 FCC Rcd 1019 (1993)]. Public notice period on an amendment to expand the trial to pass 150,000 homes ended January 21, 1994. Three opposition petitions were received. Authorization to expand technical and market trials for several towns in Connecticut for a one year period was granted November 22, 1994, (FCC 94-297). SNET issued a six month video dialtone trial report on December 22, 1994. The applicant filed a motion to extend for one year its service trial in the West Hartford area on January 31, 1995. Interested parties are asked to file comments on this motion by February 22, 1995. and reply comments should be filed by March 3, 1995. A pleading cycle for the National Cable Television Association's motion (filed March 28, 1995) to revoke the applicants trial authorization was established on March 31, 1995 (DA 95-669). Comments should be filed by April 10, 1995 and reply comments by April 17, 1995. A second six month Video Dialtone Trial Report was released on June 1, 1995. This review of the West Hartford Trial detailed information on SNET's network which is providing video-on-demand, pay-per-view and aggregated channel services to approximately 1,250 homes. (WPC 6858)*

⁴* Wherever "opposition filed" is stated, there also may be comments filed in addition to oppositions. Jointly filed oppositions by two or more parties are counted as separate oppositions by each party.

⁵ ** After the initial pleading cycle was completed, the FCC presented a formal or informal list of questions to the applicant. The answers (and generally the answers contain a list of the questions) are in the record.

4. U S West, Omaha, Nebraska: An authorization was granted December 22, 1993 [9FCC Rcd 184 (1993)]. Technical trials are proposed for 2500 homes on a non-tariffed basis. A market trial is scheduled for 60,000 homes on a tariffed basis. A petition for reconsideration was filed. A 14-day public notice was issued on August 5, 1994. An amendment/modification was filed 8/8/94. The FCC issued an authorization for technical and market trials on January 6, 1995 (FCC 94-350). A pleading cycle was established for comments on U S West's request for extension of thier technical trial for Video Dialtone services March 13, 1995 (DA 95-472). Comments were filed on March 20, 1995 and reply comments were filled March 24, 1995. The FCC in an order dated March 31, 1995 (DA 95-672), approved the applicant's request for extension of its technical trial. On April 12, 1995 the FCC affirmed its decision for U S West's limited Video Dialtone technical trial, and rejected arguments by Metrovision, Inc. and the National Cable Television Association in their petitions for reconsideration (FCC 95-141). (WPC 6868)*

5. Rochester Telephone, Rochester, New York: An unopposed amended application for a technical and marketing trial for 120 homes was granted with conditions, March 25, 1994 [9 FCC Rcd 2285 (1994)]. A request to extend trial from six to nine months through a STA was filed 9/22/94. A Pro forma request to transfer 214 authority was granted on 11/21/94. (WPC 6867)*

6. New Jersey Bell Telephone (Bell Atlantic), Dover Township, (Toms River) New Jersey: An application approval was adopted 7/5/94, released 7/18/94 [9 FCC Rcd 3677 (1994)]. Thirty-two pleadings, including eight oppositions were filed.* The first application was approved for a permanent commercial service for 38,000 homes. FCC presented the applicant with two sets of questions. Two motions for stay and three motions for reconsideration /clarification were filed. Bell Atlantic filed an amendment to it Video Dialtone Tariff Transmittal No. 741 providing supplemental data regarding development of costs underlying its Dover Township video dialtone service rate elements. Corrections for several errors on previously provided cost documentation were also made. On June 9, 1995 the FCC released an Order which granted a wavier of Part 69 of the commisions rules regarding Bell Atlantic's proposed rate structure for its Dover Township Video Dialtone service. (WPC 6840)**

7. New Jersey Bell Telephone (Bell Atlantic), Florham Park, New Jersey: An application is under consideration with a second amendment filed 9/13/94, for which a 15-day public notice began 9/14/94. Over thirty pleadings, including three oppositions were filed so far.* Proposed service is for 11,700 homes. The FCC presented the applicant with two sets of questions. On March 10, 1995 Bell Atlantic filed a supplement to its application giving additional information to economically justify its Video Dialtone request. A pleading cycle was established for comments to the applicants supplemental filing to its 214 application March 16, 1995 (DA 95-496). Comments were filed March 30, 1995. (WPC 6838)**

8. C&P Telephone, Maryland and Virginia (Bell Atlantic) portions of Washington, D.C. LATA: An application is under consideration. The public notice period ended February 11, 1994. Three oppositions were filed.* The proposal is for a tariffed permanent commercial service. On June 16, 1994, C&P filed an amendment to expand coverage to include portions of Washington, D.C., and portions of Prince Georges and Howard Counties, Maryland. The amendment expands coverage for the entire application to a total of 1.2 million homes-passed. The 30-day public notice period for the amendment began on June 29, 1994. The FCC issued a questionnaire on December 9, 1994, requesting additional details on this application.

Responses were due 12/16/94. Comments from interested parties were due 12/23/94. The applicant requested on April 25, 1995 that the FCC suspend further action on this application until Bell Atlantic has completed reevaluation of their plans to establish Video Dialtone services for this area. (WPC 6912)**

9. Pacific Bell (Pacific Telesis)), Orange County, California: The public notice period ended February 11, 1994. Six oppositions were filed.* This application is for a tariffed permanent commercial service to 210,000 homes. The FCC issued a questionnaire on December 9, 1994, requesting additional details on this application. Responses were due 12/16/94. Comments from interested parties were due 12/23/94. (WPC 6913)**

10. Pacific Bell (Pacific Telesis), Southern San Francisco Bay, California: The public notice period ended February 11, 1994. Six oppositions were filed.* This application is for a tariffed permanent commercial service in the San Jose area to 490,000 homes. The FCC issued a questionnaire on December 9, 1994, requesting additional details on this application. Responses were recieved 12/16/94. Comments from interested parties were recived 12/23/94. (WPC 6914)**

11. Pacific Bell(Pacific Telesis), Los Angeles, California: The public notice period ended February 11, 1994. Eight oppositions were filed.* This application is for a tariffed permanent commercial service to 360,000 homes.The FCC issued a questionnaire on December 9, 1994, requesting additional details on this application. Responses were due 12/16/94. Comments from interested parties were due 12/23/94. (WPC 6915)**

12. Pacific Bell (Pacific Telesis), San Diego, California: The public notice period ended February 11, 1994. Eight oppositions were filed.* This applications is for a tariffed permanent commercial service to 250,000 homes. The FCC issued a questionnaire on December 9, 1994, requesting additional details on this application. Responses were due 12/16/94. Comments from interested parties were due 12/23/94. (WPC 6916)**

13. U S West, Denver: A request was filed January 10, 1994, for a tariffed permanent commercial service to 300,000 homes. Three oppositions were filed.* The public Notice period ended March 4, 1994. An amendment was filed on 10/25/94. The public notice period began on 11/17/94. In response to a March 10, 1995 FCC request for additonal information the applicant filed supplemental data on March 20, 1995. (WPC 6919)**

14. U S West, Portland: A request was filed January 24, 1994, for a tariffed permanent commercial service to 132,000 residential and business customers. The public notice period ended March 4, 1994. Four oppositions were filed.* An amendment was filed on 10/25/94. The public notice period began on 11/17/94. In response to a March 10, 1995 FCC request for additonal information the applicant filed supplemental data on March 20, 1995. (WPC 6921)**

15. U S West, Minneapolis-St. Paul: A request was filed

January 24, 1994, for a tariffed permanent commercial service to 292,000 residential and business customers. The public notice period ended March 11, 1994. Four oppositions were filed.* An amendment was filed on 10/25/94. The public notice period began on 11/17/94. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 20, 1995. (WPC 6922)**

16. Ameritech, Detroit, Michigan: A request was filed January 31, 1994, for a tariffed permanent commercial service to 232,000 homes. The public notice period ended March 11, 1994. Six oppositions were filed.* The FCC issued the applicant an authorization for commercial Video Dialtone services on January 4, 1994, (FCC 94-340). (WPC 6926)**

17. Ameritech, Columbus and Cleveland, Ohio: A request was filed January 31, 1994 for a tariffed commercial service to 262,000 homes. The public notice period ended March 11, 1994. Six oppositions were filed.* The FCC issued the applicant an authorization for commercial Video Dialtone services on January 4, 1994, (FCC 94-340). (WPC 6927)**

18. Ameritech, Indianapolis, Indiana: A request was filed January 31, 1994, for a tariffed permanent commercial service to 115,000 homes. The public notice period ended March 11, 1994. Six oppositions were filed.* The FCC issued the applicant an authorization for commercial Video Dialtone services on January 4, 1994, (FCC 94-340). (WPC 6928)**

19. Ameritech, Chicago, Illinois: A request was filed January 31, 1994, for a tariffed permanent commercial service to 501,000 homes. The public notice period ended March 11, 1994. Six oppositions were filed.* The FCC issued the applicant an authorization for commercial Video Dialtone services on January 4, 1994, (FCC 94-340). (WPC 6929)**

20. Ameritech, Milwaukee, Wisconsin: A request was filed January 31, 1994, for a tariffed permanent commercial service to 146,000 homes. The public notice period ended March 11, 1994. Six oppositions were filed.* The FCC issued the applicant an authorization for commercial Video Dialtone services on January 4, 1994, (FCC 94-340). (WPC 6930)**

21. U S West, Boise, Idaho: A request was filed March 16,

1994, for a tariffed permanent commercial service to 90,000 homes. The public notice period ended April 22, 1994. An amendment was filed on 10/25/94.

The public notice period began on 11/17/94. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 20, 1995. (WPC 6944)**

22. U S West, Salt Lake City, Utah: A request was filed March 16, 1994, for a tariffed permanent commercial service to 160,000 homes. The public notice period ended April 22, 1994. An amendment was filed on 10/25/94. The public notice period began on 11/17/94. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 20, 1995. (WPC 6945)**

23. Puerto Rico Telephone Company, Aguadilla, Baymon, Santurce, Carolina, Rio Piedras, Fajardo, Cagay, Ponce and Caparra: A request for a technical trial to 380 customers was filed April 13, 1994. The Public notice period ended May 20, 1994. The pleading cycle closed June 14, 1994. Three petitions to deny and four replies were filed. An authorization for a limited one year trial was granted December 5, 1994, (DA 94-1384). (WPC 6949)**

24. GTE/Contel of Virginia, Inc., Manassas, Virginia: A request for a tariffed permanent commercial service to 90,000 homes was filed May 23, 1994. A thirty-day public notice period began June 2, 1994. A third amendment was filed on December 16, 1994. The amendments filed previously were dated 6/15/94 and 10/20/94. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 31, 1995. The FCC granted authorization for commercial Video Dialtone services for this area on April 28, 1995 (DA 95-1012), released May 5, 1995. The FCC established a pleading cycle for comments on the applicants Section 214 authorization on June 13, 1995 (DA 95-1312). Oppositions should be filed by July 13, 1995 and replies to the oppositions should be filed by July 28, 1995. (WPC 6955)**

25. GTE Florida, Pinellas County and Pasco county (near Tampa/St. Petersburg): A request for a tariffed permanent commercial service to 476,000 homes was filed May 23, 1994. A thirty-day public notice period began June 2, 1994. The applicant filed an amendment June 15, 1994. A second amendment was filed

December 16, 1994. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 31, 1995. The FCC granted authorization for commercial Video Dialtone services for this area on April 28, 1995 (DA 95-1012), released May 5, 1995. The FCC established a pleading cycle for comments on the applicants Section 214 authorization on June 13, 1995 (DA 95-1312). Oppositions should be filed by July 13, 1995 and replies to the oppositions should be filed by July 28, 1995. (WPC 6956)**

26. GTE California, Ventura County, California: A request for a tariffed permanent commercial service to 122,000 homes was filed May 23, 1994. A thirty-day public notice period began June 2, 1994. The applicant filed an amendment June 15, 1994. A second amendment was filed December 16, 1994. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 31, 1995. The FCC granted authorization for commercial Video Dialtone services for this area on April 28, 1995 (DA 95-1012), released May 5, 1995. The FCC established a pleading cycle for comments on the applicants Section 214 authorization on June 13, 1995 (DA 95-1312). Oppositions should be filed by July 13, 1995 and replies to the oppositions should be filed by July 28, 1995. (WPC 6957)**

27. GTE Hawaiian Telephone Company, Honolulu, Hawaii: A request was filed for commercial service to 296,000 homes on May 23, 1994. A thirty-day public notice period began June 2, 1994. The applicant filed an amendment June 15, 1994. A second amendment was filed December 16, 1994. In response to a March 10, 1995 FCC request for additional information the applicant filed supplemental data on March 31, 1995. The FCC granted authorization for commercial Video Dialtone services for this area on April 28, 1995 (DA 95-1012), released May 5, 1995. The FCC established a pleading cycle for comments on the applicants Section 214 authorization on June 13, 1995 (DA 95-1312). Oppositions should be filed by July 13, 1995 and replies to the oppositions should be filed by July 28, 1995. (WPC 6958)**

28. Bell Atlantic, (1) Baltimore, (2) Northern New Jersey, (3) Philadelphia / Delaware Valley, (4) Pittsburgh, and (5) Virginia Beach/Norfolk/Hampton, Virginia: A request was filed June 16, 1994, for authority to provide commercial video dialtone service in these five areas. The proposals cover 2 million homes. The 30-day public notice period began June 29, 1994. The FCC issued a questionnaire on December 9, 1994,